

BIOGRAPHICAL SUMMARY: Minoru Tanouye, 89, retired coffee miller

"I go and get goods from [American] Factors and deliver to farmers. At the end of the year, I collect from the farmers. Of course, farmers will pay me back in coffee and . . . I mill the coffee, then I sell, and whatever difference you get is your profit."

Minoru Tanouye, Japanese, was born on April 26, 1892, in Paauhau, Hawaii. At the age of six, he moved to Kona where he was raised by an uncle. While attending Honokohau Elementary School, Minoru learned to speak Hawaiian--the language of most of his classmates.

At the age of 15, Minoru worked in the cane fields of the Kona Development (KD) Sugar Company and sought other odd jobs.

In 1923, he began his forty-year career in coffee. His initial experience came with a Japanese-owned mill that he eventually managed. In 1928, he was hired as the manager of Wing Hing's Hawaii Coffee Mill. In 1951, Minoru bought the mill and renamed it the South Kona Milling Company.

Retired since 1960, Minoru is an active member of the Kona Regional Senior Citizens' Center and president of Seicho-no-ie, Kona branch. He is a charter member of the Kona Rotary Club.

Tape No. 9-5-1-80
ORAL HISTORY INTERVIEW
with
Minoru Tanouye (MT)
November 6, 1980
Kainaliu, Kona, Hawaii
BY: Warren Nishimoto (WN)

WN: This is an interview with Minoru Tanouye. Today is November 6, 1980 and we are at his home in Kainaliu, Kona, Hawaii.

Okay, Mr. Tanouye, can you tell me when you were born and where you were born?

MT: I was born April 26, 1892 at Paauhau, Hawaii on the other side of this Big Island.

WN: What were your parents doing in Paauhau?

MT: Well, they came to Paauhau as plantation labor for three years' contract. Day wages were \$15 each.

WN: Do you remember anything about your early life in Paauhau?

MT: Well, it's hard to remember because when I reached the age of six, our family moved to Kona.

WN: Do you know why your family moved to Kona?

MT: Well, I think they thought that they could make some money as coffee planters, I suppose.

WN: You told me earlier that you came to Kona with your father?

MT: Yeah, my father and my family came here.

WN: You told me that you were raised by your uncle.

MT: Yeah, after when we reach Kona, uncle raise me and (he) sent me to Honokohau Grammar School [until] the age of 14, so I completed half of the primary school.

WN: At Honokohau?

MT: Yeah, Honokohau. The school is still existing over there--the old building. (Chuckles) In those days the children, majority were Hawaiian and then we had few Japanese, Portuguese and Chinese. There were no Filipinos then. Of course, today things have changed.

WN: About what percent of the children were Hawaiian?

MT: The majority (90 percent) were Hawaiian. The others were a fraction--little bit. In those days, the children were not allowed to talk [in] other languages in public school other than English, so that's how I learned a little bit of Hawaiian conversation. (Chuckles)

WN: You spoke Hawaiian outside of class?

MT: (Yes.) Outside you can, but not in the school room. They were very strict, but still the teacher cannot control outside. That's how I learned common Hawaiian conversation.

WN: What were some of things you did as a child growing up in Kona?

MT: Well, as a child, when we reach the age of 15, I used to go to [work on the] sugar plantation which existed at that time, by the name of Kona Development Company, run by a Japanese by [the] name of Mr. Konno.

WN: That was your first job?

MT: Yeah, work ten hours for only one dollar a day. (Chuckles)

WN: What kind of work did you do?

MT: Cut cane, plant cane; all kinds was required on the plantation. Station job, ride mule; all kinds.

WN: How did you get the job?

MT: I wanted to get job and find out for myself.

WN: How did you know there were jobs at KD [Kona Development] Company?

MT: They were hiring outside laborers, that's why I went and find job around there. Of course, if you talk about those competition those days, you can't compare with today.

WN: This Mr. Konno, he was living in Kona, or was he . . .

MT: No, I think he was living someplace Hamakua side, Papaaloa, you see. He was a surveyor and somehow he got the capital from Japan, see. San-jyu-go-man, that means, \$350,000, and then he started the sugar mill here.

- WN: How many employees do you think the KD Company mill had?
- MT: Well, they used to have quite a few because, I don't know, I can't figure but they had mill hands (field workers) to operate the mill, I think. The maximum production was about 3,000 ton or something, not much. That's sugar, eh?
- WN: Annual?
- MT: Yeah. So I don't know if the figure was correct, but it was the figure I was hearing at the time.
- WN: While you were working at the sugar company, did you live at home?
- MT: You mean the plantation company? Yeah, I used to go from my home. See, you have to be over there before 6 [o'clock a.m.] and then, come home after 5 [o'clock p.m.]
- WN: How far away from your home was the plantation?
- MT: Well, working place [i.e. cane fields] was sometimes ten miles or more. But to the mill, was about two miles, I think. Everybody get together and ride the train and go to work.
- WN: Sometimes you would work mill, sometimes you would work out in the fields?
- MT: Yeah. Really, if you were not there, you wouldn't believe it today. (Chuckles)
- WN: Did they have housing for the laborers, special housing that the plantation provided?
- MT: They had junk houses (Chuckles) and then they had a cook (to) take care. Of course, they had to pay for their expenses.
- WN: Oh, they didn't get anything free?
- MT: No, no such thing as free. The plantation furnish house, and they stay at plantation house and some people do the cooking job, and they paid that person.
- WN: But the housing was free?
- MT: Yeah.
- WN: What nationality was working sugar plantations in those days?
- MT: What nationalities? Well, most Japanese. Most first generation, second generation, and few other nationalities. I think no Filipinos, those days. Hawaiians, Portuguese had, though.
- WN: When you started at KD Company, it was about 1907, when you were 15 years old?

MT: Yeah. (Chuckles) Of course, I didn't work there very, very long. In between, I change jobs because I figure getting ten hours labor for one dollar when you start to raise a family, it's pretty hard. That's why finally I decide to change to business, and that's why I got into the coffee mill to learn the trade. Then, I stayed at Kona Coffee Mill [Ltd.] four years. Japanese [owned] corporation, like that, they can't get along, eh? Every year they change manager, so I didn't know the score when I went in. I had my patience, I stayed four years so I learn a trade. That's why, later on, I had the advantage to be coffee miller, broker, (and exporter).

WN: Okay, you started with that coffee mill in 1924. Can you tell me how you got started in that?

MT: How I got to be the manager?

WN: How you got to work there.

MT: First, it was this way, see. In the early part of 1923, I was working sugar company. Then in the latter part of 1923, I went to coffee mill to work as a mill hand, you know, run the mill. At the start, you don't know what coffee business is, eh? Then, I work only one year, [doing] the milling job and figure out how the (business went), and how the manager was working. I catch all the inside dope. Then, the following year [1924], the manager (resigned), and the directors come and hire me for be manager. Manager, in those days, was a good salary. They had \$60 salary.

WN: Per month?

MT: Yeah. The prior manager (had resigned) and then they came and hired me for \$75, \$15 more. I was kind of scared, you know, I did not know how to run business. But when the directors came and asked me to run the place, I took a chance (and accepted their offer). (At that time, the company was mortgaged to the bank.) I stayed there four years and I made that company come on the surface. It was not on good terms. (So, during my management, I paid the bank mortgage.) Then, all kinds of rumors came in, so I (resigned). They say, oh, someday I going to take the whole business myself. How can you do that? So didn't agree with some of the people, so I (resigned). Then, I went two years outside in my own business-- coffee planter and taxi [driver]. Then after two years, 1928, then I went to Hawaii Coffee Mill.

WN: We'll get into those experiences a little later. Right now, I still want to talk about your Kona Coffee Mill [Ltd.] experience in 1924. You were working for KD Company before that?

MT: Right.

WN: Who approached you to start working in the Kona Coffee Mill? How did you know about the work?

- MT: I saw in the paper that they were looking for mill hands. Whereas I used to get about one dollar a day in the sugar mill, they [coffee mill] pay over two dollars. Double, yeah? So I applied. And lucky thing I had a little knowledge of machinery, so I got a chance. If you don't know how to use the machinery, they won't hire you.
- WN: What did you do as a mill hand?
- MT: Mill hand, you grind the [parchment] coffee. You receive the coffee from the farmers, scale it, and then after that you mill the coffee and make a report to the office every day, see. Then the manager will figure the price and pay the farmers.
- WN: You mean you [receive] cherry and make it into parchment?
- MT: No, only parchment. Parchment to clean coffee. Cherry to parchment, the farmers make, see?
- WN: Oh, all the farmers?
- MT: Yeah, all the farmers. They have their own [equipment].
- WN: So this coffee mill would receive parchment coffee (from the farmers)?
- MT: Yeah, parchment coffee.
- WN: And you would weigh it?
- MT: Yeah, I have to weigh it, and give a report to the office. Then the manager would pay according to the value of the coffee, how much it is worth.
- WN: This first coffee mill you worked for, where was it located?
- MT: Kailua. You know where Kona Inn is now? Kona Inn has a wing, ma uka. Now, it is a house lot but that was the place the mill was standing. Those days [there were] only three coffee mills, namely American Factors, Captain Cook and [Kona] Coffee Mill [Ltd.].
- WN: Those were the only three?
- MT: Only three.
- WN: In 1923?
- MT: Prior to that. After that, [the number of] coffee mills increased to 12. Coffee production, as of 1960, had increased to 100,000 (100 lb.) bags, according to my reports.
- WN: 100,000 bags a year.
- MT: That was just about 1960. That gradually came down each year, for all kinds of reasons--labor and prices. So today, production, I don't know. Maybe lucky, you might get 20,000 [bags]. Way low, and then, prices good but acreage decrease. Nobody take care. So

that's the big problem in Kona. I wonder how the people going to solve the problem because now, one [bag of] cherry coffee--100 pounds--I think they buying for \$50.00 to \$52.00, and whereas if I recall in 1940, only (\$1.50). So \$52.00 and (\$1.50) so different. (Laughs)

WN: You said 100,000 bags per year in 1960?

MT: Yeah, as of 1960, (more or less).

WN: How about in 1923 when you started at the Japanese [Kona] Coffee Mill [Ltd.]?

MT: At that time, I didn't take a close look, seemed pretty good, not that much. (About one-half of the 1960 production.)

WN: What was the annual receipts of Japanese [Kona] Coffee Mill [Ltd.]; about how much did they take in in coffee every year?

MT: I think not much though, probably about 4,000 to 5,000 bags. (The rest of the production was handled by American Factors and Captain Cook Coffee Company.)

WN: Per year, how much did that company make?

MT: (Laughs). That company lose money. So, there was something wrong. I think management was not right; every year they have to change managers, see? So when I went in the company, I didn't know the score. If I knew that the company was in the hole, I wouldn't have become manager, but I went over there and I found out that the company was mortgaged to Bank of Hawaii for \$3,000. So in 1924, I made the business good and I paid the whole mortgage back (to the bank). So I had the chance to stay four years. (Laughs). (It was a seller's market.)

WN: How come they named you as manager?

MT: Well, the board of directors came around the coffee mill--manager runs the show--so they knew I was working there, so somehow they studied what I can do. They came and offered me the job. If I knew their financial stature, I shouldn't have gone into the manager's job, but I didn't know. So I went over there [to check the books]. (Laughs) Terrible, they can hardly pay the interest on the mortgage. In those days---\$3,000 today, I think, is worth more than \$30,000. (Laughs) So, anything you run, if you stick your head outside, the opposition come to you. I was kicking out, so I quit.

WN: You said that when you became manager, you were able to clear the debts.

MT: Mortgage.

WN: Yeah, the mortgage.

MT: You see, bank, they won't advance any cash without security. So [the] coffee mill and everything [was] mortgaged to Bank of Hawaii.

WN: So what were some of the things that you did to help the company get out of this debt?

MT: Well, I paid it with the profit I made on the (coffee business). You see, buy and sell, so I got a cut in there, and in the end you see the profit and loss. I made a little over \$4,000 net, so I paid the \$3,000 [owed on the mortgage]. Still there was little bit left over. Then the story change, you see, [they wanted to] retain me and then they raised me to \$25 more. [Since] it was \$75 [when] they hired me, they paid me \$100 and I kept on for four years.

WN: What did you do that was different from the former manager?

MT: Former manager? Well, I got nothing to do with him. The former manager was hired by the board of directors, you see. And then I was working under him, so I think he didn't do the business right so they got rid of him.

WN: So what did you do to make the business good?

MT: Well, I made profit for the company. (It was a seller's market.)

WN: How did you do that?

MT: Well, by buying and selling. (I followed the trend.) You know, you price coffee for \$100 (market price), you sell it for \$150 (market price). Something like that. Because if you lose money, you can't pay the debts. (Laughs) So that was my first schooling in the coffee business, you see. I went over there, work hard, try to learn something because I didn't get much schooling those days. My grammar school math was pretty good. I was pretty good in math. I think that's why I pick up. You need to know how to figure.

WN: You mean the past manager never know how?

MT: He knew, too, but he did for his own benefit, he don't care for the company, that's where the trouble came up. See, when you're hired as a manager, you have to work for the company. Whatever you make, you have to turn in to the company. I don't know what became of that [money], so they say, "We can't keep him." (So he resigned.) But they didn't have any successor, so it was pretty hard. So prior to that, they came and see me, if I can take it over. So, I didn't give them a definite answer, but finally I accept. In those days, better than getting one dollar a day at the plantation. (Laughs) So after that I got married at age 26 and I raise six children. I got them all out of high school in those days. One [attended] commercial [school] and one, university, so they making good all over.

WN: After you became manager, did you folks buy and sell more coffee?

MT: Yeah, that's right. I think I handle more, only I don't know the exact figure. (Laughs)

- WN: How did you folks get to handle more? Did you advertise more or anything like that?
- MT: No, you have to get in touch with the farmers and you got to go buy the coffee. So the more you buy, the more you can make profits out of it. You have to go around and hustle and see the farmers and say "How many bags you got dry?"
- "Well, I got so much."
- "I pay you so much."
- So [if] the price suits them, they sell to me. (Laughs) I put my price, see?
- WN: You paid them cash?
- MT: Some cash, some I tell them wait. You need big capital, eh? And most were shareholders, you see, so they can wait for you. Shareholders of the company.
- WN: How many shareholders had?
- MT: I don't know, I don't remember. I forgot how much it was a share. Anyhow, was capitalized at only \$20,000--small company.
- WN: What about AmFac? How much were they capitalized?
- MT: AmFac, about a million dollars. (Laughs) The story is different.
- WN: So how you folks competed with AmFac and Captain Cook in those days?
- MT: Well, (we could not provide) much competition because we haven't any regular outlets for buyers. So Captain Cook and [American] Factors used to put their price by the Kona Coffee Mill [Ltd.]. The Japanese were the farmers, so they form the Kona Coffee Mill [Ltd.]. So they tried to get a better price and that didn't work very good because those old-timers, they know the business, and they need the capital. So anyway, the Japanese, they tried.
- WN: That's how the Japanese coffee mill [i.e. Kona Coffee Mill, Ltd.] came into being?
- MT: Yeah. First, it was an association, they they lose money and they can do nothing, so they change to corporation.
- WN: Before this coffee mill was started, had only Captain Cook and . . .
- MT: AmFac, right. So Japanese mill made it 3. And after that, gradually, mills increased--came to 12 coffee mills.

WN: What year?

MT: Well, I don't remember, maybe 1920, I think. So for a small area like this, had 12 coffee mills.

WN: But you started [at the] Japanese coffee mill in 1923.

MT: That's my work, but Japanese mill was [started] earlier than that.

WN: So how did you go out and hustle farmers and tell them to sell their coffee to you?

MT: Well, you know, like anything else, [if] you pay the highest price, you get it. (Laughs) But you pay too much, you can't make a profit. But you got to figure where you standing. You got to watch out how much AmFac paid, how much Captain Cook is paying, and you follow them, see? That's how you get some coffee and make a profit out of it.

WN: That Japanese coffee mill, what kind of equipment did they have in there?

MT: The equipment is about the same, the same kind. American Factors' equipment the same. Japanese coffee mill the same, Captain Cook the same thing. They have vertical grinder.

WN: Vertical grinder?

MT: Yeah. See, the first one take the rough [pulp] out, the second and third one will give the final. So one more thing is that, in Kona you got a good road. Prior to 1936, oh, they had a junk road--gravel road. Since gross income tax came in, then gradually all kinds of good roads come in because before, prior to 1936, all male residents from [age] 20 to 60, I think, were paying only \$5 one year, taxes.

WN: Paid how much?

MT: Five dollars. Now, 1936, when the new law came in, 4 percent [tax] on every dollar, eh? That's how the government get plenty money now. That's after 1936. Before putting that measure into effect, they had plenty argument, you know. They had meeting here and there but finally, majority won out, 4 percent on each dollar whether you like it or not.

WN: You said the roads were bad before 1936?

MT: Right.

WN: How bad?

MT: Well, half-gravel. No more this kind of paved roads.

WN: When you were manager of this Japanese coffee mill, did you go to the farmers yourself to try and get them to sell their coffee to you?

MT: Yeah, I had to go and get acquainted with them, otherwise they won't sell [to] you. Because coffee, even cheap, involves a big amount of money. They don't trust you, they won't give you the coffee. Of course, if you've got the cash to pay, it's okay, but they say, "You better wait one week," or when I sell to the stockholders, I give them breaks. That's how I made the business go.

WN: And did AmFac have people going out too?

MT: Oh, they advanced, so they have more chance of collecting. They advance merchandise and lumber and whatnot [to the farmers]. They have more chance of collecting, but still, the Japanese mill kept going and bought some [coffee]. By right, [farmers] couldn't sell to the Japanese mill--they had to pay to [American] Factors.

WN: You mean the [American] Factors would [collect] through the storekeepers?

MT: Yeah, through stores, and sometimes direct.

WN: So did some stores get mad at you for taking their customers or anything like that?

MT: Well, they don't feel so good if you collect some of their coffee, but still, they have to take whatever they do, eh? (Laughs)

WN: So you stayed at the Japanese coffee mill until 1927, yeah?

MT: Four years, I stay.

WN: How come you quit?

MT: Well, you know, in any kind of organization, if you're involved and you stick your head out, whether you do it right or not, there's plenty opposition coming up. So instead of staying [with] all kinds of trouble, I quit. (Laughs)

WN: What kind of trouble? What kind opposition?

MT: Well, they say, "You got to watch out, that new manager. Later on, he going to take [over] the whole thing." Rumors, you know. (Laughs) Of course, you can't take the corporation for yourself, but some ignorant guys, they believe that and they start to make noise and rumors, eh? So, when you work for a corporation and there's too much rumors going, you don't feel so good, so I decide to quit for good.

WN: The stockholders, they were from Kona?

MT: The coffee mill stockholders? Yeah, the majority was planters.

WN: Planters?

MT: Yeah, all who raising coffee.

WN: Farmers?

MT: Yeah, farmers.

WN: You know the name of the person who actually started it?

MT: All died. Hard to remember their names. Plenty Japanese, more Japanese.

WN: And they started it because they were dissatisfied with AmFac's prices or anything like that?

MT: Not that. They wanted to do their own independent job. Of course, financing, [American] Factors and others did. You know, clear land, like that, [American] Factors help more. But when the coffee prices are good, is okay. When the coffee prices come down, it was hard for everybody. You know coffee always fluctuate up and down, eh?

WN: So AmFac would give loans to farmers?

MT: Yeah, direct and indirect. Indirect because AmFac has plenty stores outside. Direct [because] AmFac [would loan] direct to the farmers. But the stores were taking the bulk of the business, so AmFac was sure at the end of the year to collect plenty of coffee.

END OF SIDE ONE

SIDE TWO

WN: Okay, about 1927 then, you quit as manager of the Japanese coffee mill. Then what did you do?

MT: After that, I had a small farm up there. [But] five-acre farm won't produce much income. But [coffee] production plus taxi--that's why I made that [taxi] business go for about two years.

WN: What did you do as a taxi driver?

MT: Taxi driver, oh, in those days, boat used to come to Kailua. They [passengers] went shopping. I used to take them there, and some for their business. So that helped me little bit. In those days, taxi income, I think, no more gross income, nothing. (Laughs) My business was mostly Kalaoa side, oh, the rocky place was. Today, you go, different, over 50-some years ago.

- WN: Who rode the taxi? What kind of people?
- MT: Oh, Japanese Most Hawaiian, no? They go shopping (to) Kailua and then Sundays, like that, they go ride for pleasure, sometimes nighttime they go show.
- WN: How much cost for taxi ride?
- MT: Was cheap. In those days, go Kailua and come back, about ten miles ride, was only two dollars. (Chuckles) Not like today. Today is different. One way, I think even for ten dollars, you no can.
- WN: How you got the car?
- MT: Well, I made a small down payment and pay note. Taxi driver, I did three years, I think; 1920, 1921, 1922, 1923.
- WN: Oh, you did it before you started at the Japanese coffee mill?
- MT: Yeah, yeah, Japanese coffee mill, I start work was 1923. But still, at that time, I had the car already. I quit taxi but I still had the car.
- WN: I see. And so when you had that coffee farm, that was before you [started at] the Japanese coffee mill?
- MT: Yeah, that I had as lease land, so after the lease expire, give back to the owner. (Chuckles)
- WN: When did the lease expire?
- MT: In those days, long time ago. More like history already. (Chuckles) (It was only a few years' lease.)
- WN: When you had your coffee field, who helped you on the fields?
- MT: In those days, me and my wife. Small lot, see. My children were small then. [Apparently, MT had his coffee land at the same time he was working at the coffee mill.]
- WN: You were married in 1926?
- MT: Yeah. When I became the manager for [Hawaii] Coffee Mill [in 1928], that's how I had the chance to raise the kids.
- WN: Oh, this is Hawaii Coffee Mill?
- MT: Yeah, Hawaii Coffee Mill.
- WN: Okay, so in 1928, you started to work for Hawaii Coffee Mill. How did you get started with Hawaii Coffee Mill?
- MT: You know Wing Coffee Company of Honolulu? I think it's still existing--Paouhi Street--and the boss over there was (also)

president of this Hawaii Coffee Mill. Big shareholder and the president.

WN: Wing Hing?

MT: Yeah, Wing Hing. He died already. I had an acquaintance with him in business when I was with Kona Coffee Mill [Ltd.]. That's how he gave me the chance to manage the place. Otherwise, I don't know. They don't know me, too, and they don't know what I can do. In those days, they didn't talk strictly about diplomas. Nowadays, they ask you where you came from and what kind of diploma you get. Those days, no more such thing. I got the business management through my experience; I know how to handle coffee, see? Because in those days, 1928, schoolteachers come from teachers' college. They had only \$105 one year, and then this Hawaii Coffee Mill offered me \$150. I work for 10 years (chuckles) so you see the difference. But today, experience no count; diploma works.

WN: So when you started in 1928 at Hawaii Coffee Mill, you started as manager?

MT: Yes, I started as manager because they were looking for a successor, but they can't find the right man. Honolulu had a controlling share. Wing Hing and those Chinese down there. They came up [to Kona] special trip. They wrote a letter [asking] me to take over. I say, "I don't want to take over, you have all your old-timers, let them run the show."

"No, a big company like that is hard to manage. I want you to take care."

I didn't give them a definite answer right away because the burden was heavy. So finally I accepted and I stay 10 years and then at the end, we fold up the business, I did all the (closing) work for them. Then I bought the remnants of the coffee mill and then I formed a coffee mill under the name of South Kona Milling Company, which I managed and owned. Because when you start to ship coffee to the Mainland like that, they won't recognize you as "Minoru Tanouye," you know what I mean? You got to show your front. So it finally came to my mind and I named my company South Kona Milling Company and had it registered in the state of Hawaii.

WN: Okay, before you bought out [Wing Hing], I want to talk about the time when you were a manager under Wing Hing. This was more or less during the depression, yeah?

MT: Yeah. Depression.

WN: So how different was it during the depression compared to, say, before that?

MT: That time, in the middle part, when I worked for the company, not so bad, but [just] before the war [World War II] came worse. Cherry coffee became dollar half [\$1.50] for 100 pounds. Today

it's \$52.00 [for] the same 100 pounds. But the business way off today. Nobody care very much for coffee, so there must be some reason--I think lack of labor and the young fellows, they want better job. Hotel and somewhere else; government job, like that. They don't want to go and sweat themselves picking coffee.

WN: So during the depression was dollar half . . .

MT: Yeah, that's 1940, I think. Dollar half [\$1.50] for cherry and 4-1/2 cents for parchment, that's the skin taken out.

WN: Four and one-half cents per pound [of parchment coffee]?

MT: Yeah, and dollar half [\$1.50] for cherry.

WN: For 100 pounds.

MT: Yeah, yeah. Today, \$52.00 and business is going down. Big question today. Nobody can give the right answer, I think. (Main reason is the young generation dislikes hard labor.)

WN: So when you were manager at Hawaii Coffee Mill, you gave farmers 4-1/2 cents a pound of parchment?

MT: Yeah, for one year, that time in 1940.

WN: Before that was higher?

MT: Before, was little bit better. Then after war came in, then the price came little bit up--stabilized.

WN: So when you got the parchment from the farmer, you folks would mill it into green coffee and then from there, who would you deal with?

MT: Well, Wing Hing. That time Wing Hing had the whole say on that company.

WN: In Honolulu?

MT: Yeah, because we hadn't dissolved the company yet. Nineteen forty-one, we dissolved.

WN: You would turn over all the green coffee to Wing Hing?

MT: Yeah, I was taking care anyway for him because nobody take care.

WN: The capital for the Hawaii Coffee Mill was how much?

MT: Two hundred thousand dollars, so it's bigger than Kailua [which was] \$20,000.

WN: Japanese coffee mill [Kona Coffee Mill, Ltd.]?

MT: Yeah, this [Hawaii Coffee Mill, Ltd. was] \$200,000 and capitalized by Chinese and Japanese shareholders, but Chinese had more share so they got more say.

WN: Did Hawaii Coffee Mill own any stores?

MT: Yeah, in my days, (two stores). Of course, we had small ones, one in Paauilo, but that won't come in the figure. Only little bit sell. So in other words, we had one store in Captain Cook near Machado Store. And one we had in Honaunau. We got two. Two, and then coffee mill, we had down Napoopoo.

WN: What kind of things was sold in the stores?

MT: All what the farmers need--groceries, hardware, all kind. Lumber.

WN: How would the farmers pay for all of this?

MT: Oh, they pay end of the year by their production of coffee. Some they could pay their current balance, some cannot, and we used to run business that way. So Hawaii Coffee Mill used to get credit from those wholesale stores in Hilo side, and advance to the farmers through our stores.

WN: Would these stores buy anything [wholesale] from AmFac?

MT: No, not much. Partial business, but we used to get most from Hilo.

WN: Who in Hilo?

MT: [Theo H.] Davies, and Waldron. So, in other words, this Hawaii Coffee Mill, I had to go in there and manage for them and in the end, I have to close up. (Laughs)

WN: You had to close up?

MT: Close up the business. They can't carry on further, so the legal matters and all I did for them.

WN: So how come the Hawaii Coffee Mill had to close up?

MT: Well, I think they can't even get their money back--what they advanced, so they called it a total loss and only held on to their property--the coffee mill and real estate--that's all. In order to do that, you have to go into the legal points. Somebody got to make it. I didn't know much about law but since they tell me to, I fixed them up, everything pau. (Chuckles)

WN: You said that they couldn't collect from the farmers.

MT: Yeah, yeah, plenty bad debts. Some we gave adjustment (by 10 percent). I know one farmer owed \$10,000, we cut it down [by] \$1,000. Some guys owe \$5,000, we cut them down \$400 or \$500. In proportion, eh? Some, we never collect nothing. So we fold up.

- WN: Those farmers, they sold to other mills or something, the coffee?
- MT: I don't know. Maybe they did some [of that], but you can't be watching day and night. So finally we decide, might as well quit, so the board of directors asked my opinion. I said, "Well, we don't have a bright future coming, so might as well fold up." So we called it a loss so they don't lose, but stockholders lose. Shares gone. Whatever remained was the coffee mill and two small real estate that's all.
- WN: What about the stores?
- MT: Stores pau too. Leased land, eh? Go back to the owner.
- WN: Who owned the land [that the stores were situated on]?
- MT: Bishop [Estate]. The real estate was [owned by Wing Hing]. I bought him out. Two small lots--Napoopoo and up there [above MT's home].
- WN: You took over the lease, you mean?
- MT: No, Hawaii Coffee Mill had [owned] real estate, you see. It was small lots so I bought the two and then I bought his coffee mill and ran the business for about 19 or 20 years [1941-1960]. [MT rented Wing Hing's coffee mill in 1941. By 1951, he accumulated enough capital to buy the mill outright from Wing Hing.]
- WN: How much did you but it out for?
- MT: I bought for \$9,000. Book value was about \$13,000.
- WN: So Hawaii Coffee Mill was going out of business. Were other coffee mills at that time going out of business, too?
- MT: No, others were [still] going. Hawaii Coffee Mill closed up earlier. Then, I came into the picture under a different name. South Kona Milling Company.
- WN: That was in 1941, so you said from 1928 to 1938, you worked for [Wing Hing's Hawaii Coffee Mill]?
- MT: Yeah.
- WN: And then in 1941, you [started the South Kona Milling Company]. What did you do between 1938 and 1941?
- MT: Well, I used to run coffee land. I bought one six-acre coffee land. Another coffee land, I had [on] the other side, see? I bought new coffee land, and I still went and buy coffee and plant coffee. One thing, cannot cover the expenses. See, I had in those days six children, my wife and my old man. Myself, I had to support nine fellas. (Laughs) So you think about those days and, how ridiculous, you know. More like real. (Laughs) Of course, in those days, I was in my prime days, nothing to be afraid of, eh? Not like today. Today I'm all worn out. (Laughs)

WN: The coffee farm you bought, how much did you buy it for?

MT: That lease land? I bought that for \$1,500. In those days was cheap.

WN: That was about 1938. Were coffee prices good at that time?

MT: At that time, was not so good--4-1/2 cents.

WN: And when you had your coffee farm, who did you sell your coffee to?

MT: I was broker, so I sell myself.

WN: Oh, you were your own broker?

MT: I used to sell to AmFac and sometimes to my prior coffee mill--Hawaii Coffee Mill--I used to sell. All over. That time, I was out [as manager], yeah? I was out, but to make extra dough, I used to handle coffee because I know the way to handle.

WN: You were independent then?

MT: Yeah, independent, and plus the coffee mill. (Pause) Little more, they was going to intern me. But lucky they didn't intern me [during World War II].

WN: How come you thought they were going to intern you?

MT: Well, they know who to intern. The main guys [were] interned December 7, [1941]. I wasn't [one of] the main ones but they knew that I was part of their gang. But lucky I kept away from this kind official business in Japanese community. Lucky thing. I think one thing I got out was because I was appointed, during the wartime, secretary of the Japanese Farmers Association; that's devoted to the farming. Important guy. (Laughs) They had one guy, but they intern him. [He was a] Japanese school teacher, and they voted to put me in his place. I told them I don't know Japanese. English, maybe I can handle, but Japanese, no can. But they figure I can, so I was lucky. Otherwise I should have gone to Mainland. (Chuckles)

WN: Will you explain to me what a broker does?

MT: In other words a miller [is someone who] buys the coffee and bargains. A broker is the other guys who handle it. So I negotiate with the broker in the Mainland, and together get the approval of the bank--Bank of America and Bank of Hawaii. That's how I got the connection. Then I used to send [coffee] to them. For instance, you send lot of coffee through Hilo and then the moment you present your bill of lading to the bank, then the bank will pay you. In the first place, they used to pay me only 80 percent and when the broker receives the coffee and see that the thing was in good shape, they send me the [remaining] 20 percent and then each time, each year there is an increase by 5 percent--80 percent, 85 percent, 90

percent, 95 percent--and after 4 years, they used to pay me 100 percent. That means, if you send \$10,000 worth of coffee, they give you \$10,000 right there. But, at first, they no trust you. (Laughs) They don't know me, eh? If I go by "Minoru Tanouye," they think, "What the hell is this? Funny kind name." So I thought, gee, gotta use some kind of way to have the broker accept the business, so I change the name to "South Kona Milling Company" and I wrote to the coffee broker. I think his name was C. G. Cambron.

WN: Cambron?

MT: I think C. G. Cambron.

WN: This is when you were your own miller, when you had your own mill?

MT: When I came to my own mill.

WN: So when you were a broker, how did that work?

MT: When I was a broker, let me see, I think I used to sell to Wing Hing, Honolulu.

WN: Oh, so after Wing Hing closed up the mill, he still had coffee operations in Honolulu?

MT: They were roasting, but raw materials, no more, so somebody got to supply him so I was using their mill and supplying them.

WN: How much would they pay you?

MT: Oh, they don't pay very much because they don't give me maximum price. So until I buy them out, they pay me their own price. When I bought them out, I did my own, so the hard thing was for me to get a outlet--a Mainland broker. I put big name, (laughs) South Kona Milling Company. So after, when they come to check me up, they see only one guy over there. (Laughs)

WN: Okay, we're going to stop here. Next time, we're going to start from how you got started in your own South Kona Milling Company.

END OF INTERVIEW

Tape No. 9-9-2-80

ORAL HISTORY INTERVIEW

With

Minoru Tanouye (MT)

November 10, 1980

Kainaliu, Kona, Hawaii

BY: Warren Nishimoto (WN)

WN: This is an interview with Mr. Minoru Tanouye. Today is November 10, 1980 and we are at his home in Kainaliu, Kona Hawaii.

Okay, Mr. Tanouye, we went up to 1941. Previously, you were manager of Hawaii Coffee Mill.

MT: Yeah, previously.

WN: So in 1941, you rented Hawaii Coffee Mill from Wing Hing.

MT: Right.

WN: And you called it the South Kona Milling Company.

MT: I reorganized.

WN: Okay, when you say "reorganized" it, what do you mean by that?

MT: First, we were under the name of Hawaii Coffee Mill, [then] I reorganized as the South Milling Company myself personally. And then I run that thing for ten years until 1951. Then in 1951, I bought the whole thing out.

WN: Why didn't you buy it out in 1941?

MT: Oh, I didn't have enough money to buy because their selling price and my buying price was different.

WN: What was their selling price?

MT: I think it was \$9,000. I didn't get the \$9,000. Then in 1951, I had it, see.

WN: How much did you have in 1941?

MT: Oh, I had hardly anything. (Laughs) Just starting. (I was raising six children, and out of employment.)

WN: So, how much did Wing Hing rent it out to you for?

MT: Seventy-five dollars a month. That's about for ten years.

WN: Why did he rent it out to you?

MT: Because it was the only way he could get some coffee out of me (for certain) because if he were to sell the mill to somebody else, he don't know if he could get the coffee or what, see? So he was sure, if I take care, he'll get the coffee. That was the reason he rent to me. I think it was 1941 to 1951--about ten years.

WN: How come he was sure that you would sell to him your coffee?

MT: Because prior to that, I was manager for his company, Hawaii Coffee Mill for ten years. That's why he knew, and I know the situation and I could handle the coffee for his own use in Honolulu, see? That's the main reason. (Wing Hing was president of Hawaii Coffee Mill. He wanted to get coffee every year for his roasting needs.)

WN: Was Wing Hing losing money?

MT: They were making money, he was a roaster. He buy the green coffee from me and then he roast and he make his cut on that. (He sold coffee under the Wing Brand Kona coffee. His office was on Pauahi Street.)

WN: But before he rented out to you, was he making money?

MT: I think so he was making money. (Laughs) That was his [main] business. He had his own business--Wing Coffee Company in Honolulu. He was doing all kinds of business there and still [today] his children and wife [are] taking over. (He was running a grocery store--with Chinese goods).

WN: You said that you paid \$75 per month [rent]. What did that cover?

MT: For using the mill, because he wanted to sell to me but I can't pay the price, so I rent it.

WN: I mean what about the land, the lease of the land . . .

MT: The land was his, you see. Then after 1951 I bought the whole thing out, see. That's ten years later (a year) before that Brazil frost came in. That's why I got a chance to buy (at a lower price) because when the frost came in, [coffee] prices came up, eh? I [would have] had to pay his [higher] price, see? So that's why I didn't pay the maximum price in 1951 [before prices went up]. (It was a lucky thing for me. I bought just at the right time.)

WN: When was the Brazil frost?

MT: Sometime after 1951, I think. [The Brazilian frost occurred in 1953].

- WN: So that was a good move, then.
- MT: (Chuckles) Yeah, yeah, lucky thing. I hit the right time. Otherwise I have to pay the price he demand.
- WN: Because after the Brazilian frost, coffee prices went up.
- MT: Right. They went up and he wouldn't [have] sold me the place for \$9,000. (Laughs)
- WN: So when you were renting the mill from Wing Hing, did you sell your coffee exclusively to Wing Hing?
- MT: Yeah, in those days I had to sell to him. For the past ten years [1941-1951] when I was paying rental but after I bought him out, I found a new outlet--direct sale to Mainland. I cut him out, I knock down the price. The Mainland price and his price different, so I get a chance to break in Mainland market by getting in touch with a broker (in San Francisco). So anyway, I had a good chance that time.
- WN: How did the Mainland broker's prices compare with Wing Hing's?
- MT: Oh was better, because direct, see? I sell direct, but if you sell to Wing Hing, he price and then he sells somewhere else at a higher price. But through the obligation I had with Wing Hing, I had to sell to him. So when I bought him out, [there] were no obligations so I opened my own market.
- WN: So while you were renting from Wing Hing, you couldn't do that? [i.e. deal with a Mainland broker]
- MT: No, no, you cannot, see. Otherwise I wouldn't be able to rent that mill any more and I [wouldn't have gotten] the financial power to buy the outfit.
- WN: I was wondering, did Wing Hing have other brokers or millers in Kona besides you?
- MT: No, only me. You see, Hawaii Coffee Mill was organized by stockholders--Chinese and Japanese--but the Chinese had more shares in there, and some Japanese over here too. The manager was James Morita's father. You know the City Bank boss today? His father. So he pass away, see? He was the manager for Hawaii Coffee Mill. Then, somehow, I had a chance to be the manager through Wing Hing's acquaintance. But when you work for somebody else, you can't go all smooth. There's plenty people looking for my job, so I was manager for Wing Hing for eight years [1928-1936]; then for four years [1936-1940] I was out of the company, Hawaii Coffee Mill. He changed three managers in four years, but they can't make a go. Finally, Wing Hing came back after four years to see me to take over the business. I said "No, no." I declined to accept

his offer. I said, "Since I'm fired, I don't want to bother with you anymore." But he stayed three days in Kona. He begged me to go back because he said he made a mistake, so finally I agree to go back. So in 1940 I went back. Then in 1941, war [World War II] came in so we can't do any business, so we fold up.

WN: What happened during the war?

MT: Hawaii Coffee Mill used to ship majority of their output to Philippines--Manila, and we used to get good price [there] and locally. So [during the war], no more boat to take the coffee. World War II, can't do anything. So that was the reason we fold up the business. Still he [Wing Hing] wanted me to take care of the Honolulu business, because Honolulu, the boat go--Humuula--carrying the coffee. Of course, Honolulu don't consume very much, but still they need some coffee for their own use. So that's the reason we fold up the Hawaii Coffee Mill.

WN: I see. So prior to the war, you had the Filipino market and . . .

MT: Yeah, Honolulu, that's right.

WN: Did that affect other coffee mills in Kona?

MT: Well, we had in those days about 12 coffee mills, so we had more chance because we used to sell [at a] better price. Then you could pay a better price to the farmers because they looking for high price. If you pay a little bit high, you can sell the coffee.

WN: Did the other 12 coffee mills have the Philippine market too?

MT: No, we had only, see? They [other mills] had their own markets. I don't know where. Maybe Mainland that time, but we had a better market in Manila. We used to put our own price. Otherwise it's hard, because in those days, Kona produced about 100,000 bags of green coffee and 12 coffee mills operated. That's why it's pretty hard to compete unless you had a good market. So [since] Hawaii Coffee Mill had a good market in Philippines, we could compete with [American] Factors and Captain Cook.

WN: [American] Factors and Captain Cook, they didn't have Philippine market?

MT: No, no, they didn't have. They had Mainland.

WN: So these other companies that dealt with Mainland, were they affected by the war?

MT: I think Mainland was not affected. I think they continued.

WN: So since you folks were the only ones going into foreign country, you folks--Wing Hing--really suffered then.

MT: Yeah, yeah, so only thing we did was fold up the business, and give the debt adjustment to the farmers. Hawaii Coffee Mill got about 10 percent back. I think [American] Factors did the same thing, too--debt adjustment. The other day [the former] manager was with me. Well he did a good job, for Kona. They have million dollar capital but I think they gave the farmers debt adjustment, too. He's a big pioneer for Kona, he help all the farmers.

WN: This was Mr [L. C.] Child?

MT: Yeah, Mr. Child. He's 93 years old, ex-manager for AmFac and I knew him from when I was a kid. The other day, long time I didn't see him, and I was told that he was coming [to the Kona Coffee Festival] on a wheelchair, so I thought maybe he must be old. But when I talked with him, his upstairs was just as good as his prime days. He's 93 but sharp. (Laughs) Only he goes on wheelchair that's all. He's about 93, I'm 89, so he's 4 years older than me. (He helped me a lot. American Factors used to give me annual credit--\$10,000 maximum.)

WN: Who was responsible for the debt adjustment?

MT: Well, I think the company, like Hawaii Coffee Mill. We were the directors and we were taking charge. We did that too, see? I think American Factors, too, the manager work under the board of directors of the company. So I think it's same thing. Only Captain Cook [Coffee Company] didn't give debt adjustment. But they went broke ahead of us. (Laughs) So Hawaii Coffee Mill and American Factors helped the farmers a great deal in those days.

WN: How about the other mills?

MT: Other mills, no more, because they own. Buy and sell coffee.

WN: When they had the Philippine market just before the war, that was Hawaii Coffee Mill or that was yours [South Kona Milling Company] already?

MT: No, no, Hawaii Coffee Mill. It was Hawaii Coffee Mill. When they changed the name to South Kona Coffee Milling Company, it was my own. Individual, but I put a big name, South Kona Milling Company (For community recognition).

WN: By then, Hawaii Coffee Mill went broke?

MT: Yeah, folded up Hawaii Coffee Mill already. Not broke, but we couldn't sell the coffee, so we fold up the business and give a debt adjustment to the farmers.

WN: This was what year?

MT: This was prior to 1936. When I was there I made a debt adjustment, see? Then I was out of the company.

WN: Wartime the Philippine market had to stop.

MT: Yeah, Yeah. You can't get the transportation. You were scared the submarine might sink your coffee.

WN: That's when you were manager.

MT: Yeah. Just prior to that. Before that.

WN: But you had the South Kona Milling Company during the war.

MT: Yeah, when the war started--1941. I organized that company, 1941, the time I rented for 10 years for \$75 a month. That's the time I organized the South Kona Milling Company. Then after ten years, I bought the whole thing out. The mill and everything.

So in other words, if you were to do any business, you were to report to the state government. When you do any business, you have to make a report and get the government okay.

WN: Was that difficult to do?

MT: No, no just a matter of a form.

WN: What about the stockholders? You kept them on?

MT: The stockholders were all these kinds of companies. Stockholders, if the company can't make a go, they lose everything, and nothing come back. (Laughs)

WN: So after Wing Hing went out of business . . .

MT: Yeah, yeah, they all fold up.

WN: So you reorganized it on your own?

MT: Yeah, on my own.

WN: Anybody else?

MT: The first ten years, I organized it as a partnership with one Chinese guy. But before ten years, he pass away, so I carry the thing over. So in other words, it was just like one man.

WN: So in 1951, you bought the mill outright from Wing Hing?

MT: Yeah, right. That time, you know, ten years time, I had a little bit dough to buy this mill. Ten years before, right after the war [started], no more nothing. I had to rent the mill. The surface [was] big, eh? "South Kona Milling Company." You don't know what kine that. Come to find out, the manager is myself and I had about two Filipinos working under me, that's all. (Laughs)

WN: They worked in the mill?

MT: Yeah, all kinds of jobs. But main job I do, see? Filipinos carry coffee, like that. Help.

WN: But what job did you do?

MT: Oh, I did everything. I do manager job, mill job and selling and buying, everything. With laborer help, about two Filipinos. In those days, labor was cheap, so not so bad. I could have hired some more but I did by myself the rest--drive the truck and run the mill. (Laughs) So now, getting old, physically worn out. Not so strong as I used to be. So ten years ago, I sold the land and everything. (Laughs)

WN: How much you sold it for?

MT: Oh, I sold pretty good. But today if I owned the place, boy, I could sell for fat price.

WN: How did you get the money, the \$9,000 to buy the place?

MT: Well, in ten years time, I make by buying, selling coffee, broker and all those expenses. Profit and loss, I made that much.

WN: You didn't have to borrow from anybody?

MT: In those days, of course, I didn't borrow money but big firms such as American Factors and Captain Cook used to give me annual credit see? I used to borrow grocery from them, lumber and everything. And I advance to the farmers annually, and at the end of the year, I used to used to pay back American Factors from my finances. And then in between, what I make profit was the money I accumulated to buy the mill.

WN: So you would be like a store, too, then?

MT: Yeah, something like that. I don't own any store but I go and get [goods] from [American] Factors and deliver to farmers. At the end of the year, I collect from the farmers. Of course, farmers will pay me back in coffee and with the coffee, I mill the coffee, then I sell and whatever difference you get is your profit.

WN: You would pay AmFac in cash or in coffee?

MT: Either way, I used to pay them by coffee too, because I collect coffee from the farmers and [since] AmFac was in coffee business, they want coffee, too. They pay their price. I accept their price. I no can tell you pay is cheap. They say that's the market price. After I got through [dealing] with AmFac and Wing Hing, and when I start to export to the Mainland, it was a different story. So mainly, I shipped direct.

- WN: Okay, we'll get to that in a minute. I just want to continue a little bit more on these relations with AmFac. Would AmFac do that with the other millers too--advance them groceries and lumber?
- MT: That I don't know if AmFac did or not. But I know they give me a chance and they give me credit. That's how I had a chance to do business with their capital. (Laughs) (Maybe some millers had cash and so didn't need credit.)
- WN: How much worth of goods would you borrow from AmFac?
- MT: Well, AmFac in those days, I think they loan me \$10,000, and Captain Cook \$5,000, see? So I didn't have no capital, but with this capital I use alone, but I made sure the obligations were cleared at the end of the year. So I did that every year. So they trust me.
- WN: Captain Cook would lend you groceries and anything that you want?
- MT: Yeah, anything, anything you want. And then you'd have to pay them at the closing of the calendar year.
- WN: So a farmer would come to you and say, "Hey, I need 100-pound bag rice."
- MT: Yeah, okay, if they want, I go and get and deliver to them.
- WN: What else? Groceries, lumber . . .
- MT: Yeah, anything. Anything what they need for farming, eh? So in other words, the managers of the big firms, I give them and maybe my personality was good or what, I don't know. They trust me, see? Otherwise, I no more capital, how can I run the business? So in other words, I use other guys' money for business.
- WN: By "other guys", you mean . . .
- MT: AmFac and Captain Cook, but you gotta keep up your promise, otherwise they stop you. And bank, too, you had to make good, too, those days. Bank of Hawaii trusted me [because] the first company which I work--small company--was capitalized [at] \$20,000, Kona Coffee Mill [Ltd.]. When I went manager over there, that place was mortgaged for \$3,000 at Bank of Hawaii and they could hardly pay the interest. So somehow I made the grade and I paid the mortgage and so the bank, they trust me. Through all those connections, I had a good show in my business.
- WN: The farmers that owed you coffee---did other mills sort of interfere and try to get their [farmers'] business and sell them coffee?
- MT: Well, of course, they used to sell to other mills too, but they have to pay my obligation first. Then they clear their debts, so everybody was playing honest those days.

WN: Nobody tried to bootleg coffee--take your business?

MT: No, no. Every farmer used to pay me at the end of the year and then what I collect I used to pay back to the other firms, [American] Factors and Captain Cook, see?

WN: Okay, so, we're getting back to 1951 when you bought [the mill] outright from Wing Hing. Did this relationship with AmFac change at all?

MT: No, no, still I continued to do business.

WN: So all the way up until the time you closed [in 1959], you folks were still doing business?

MT: Yeah, I was doing business with [American] Factors. The manager used to give me joke, he told me I'm a smart Japanese.

I said "How come smart? Same as anybody else, eh?"

"No," he said, "when the coffee price come down, you quit the business."

"No, that's not the reason. I reached the age of 65, I cannot hardly lift a bag of coffee, so that's why I quit."

(Laughter)

MT: But through all this, other people help me out, that's why I made the grade. Myself only, no can. Farmers and these big firms. So I'm still thankful for those guys.

WN: When you bought the mill in 1951, what was your capitalization at that time?

MT: When I bought the mill, I didn't have hardly any capital. I think I had \$500, I think. (Laughs) When I started the South Kona Milling Company, I started with \$500 and then, mostly I did business with other guys' capital. Other guys' capital, but they don't trust you, you no can do business. But they trust me, so I did business. Otherwise, no can. [If] everything [had to be paid in] 30 days, how you can? How can you be doing business? You buy something from them for 30 days. End of next month, you pay, no can. So, annual kind. That's how I made my business go.

WN: So you made good profit with that?

MT: That thing help me out, eh? Otherwise, you had to have big capital to run the business. And I used to sell some coffee to them too, see, so they make profit on my coffee too, eh? All kinds of angles there.

WN: Who owned [coffee] mills in those days?

MT: Oh, those days, let me see. . . . Hendricks had one mill, and then, Kamigaki, Kudo and Noguchi. This side, Onaka, Nakamoto. Anyway, including Captain Cook and [American] Factors, 12 coffee mills. But today, too bad, only two. Noguchi [Pacific] and Sunset.

WN: Why today only two? Why you think, what happened?

MT: I think youngsters nowadays too lazy. They no want to pick coffee. Hard work, eh? Even if the price is good. The cheapest time was--cherry coffee was \$1.50 in 1940. Today, oh, \$52.00.

WN: One bag?

MT: One bag, 100 pounds. Dollar half [\$1.50]. What a difference. And still most of the land is abandoned. The youngsters nowadays don't believe in hard work. On the other hand, they get other kind of job, so they rather go to easy job. So [there is] no reason why they can't make a go when one cherry coffee 100 pound [bag] you can sell for \$52.00 and before only \$1.50. (Laughs) So that's a big question. Nobody can answer that. I think nowadays the young fellows don't have to sweat for money. They got good job. Instead of coffee. Otherwise, 100 pounds of cherry coffee for \$50--gee, that's a good profit.

When I used to run coffee, [prices] was way down, eh? But still I made a go. But nowadays, you can't compare. That's why, [in] 1960, through my survey, I think 100,000 bags green coffee [was produced], so [in] cherry coffee [that] would be 500,000 [bags]. Five to one. Today, I don't know if we got 20,000.

WN: Total produced in coffee--20,000 bags?

MT: Yeah, now, no more 20,000. Used to produce about 100,000 bags. In our day, 1960, that's 20 years ago. So that is hard answer to bring out. Why people don't pay attention when the coffee price is so good. But if I were to say, youngsters don't believe in hard work. I think they work the easy side--hotel and government jobs and all kind. So the coffee industry won't improve.

WN: You retired in 1959?

MT: Yeah, yeah.

WN: What were the reasons for your retirement?

MT: Getting old, eh? That's why I decided, because I did most of the jobs. Carrying coffee and everything, I had to do, eh? Hand work, bookkeeper and everything. That's why I quit.

WN: Were you still making a profit at that time?

- MT: Yeah, just the same as my prime days. But I fold up. I thought it was too much already. I don't want to strain myself. If you run the business, you have to do the job, eh? I used to do correspondence, bookkeeping, miller, buy, sell, all kinds, see? Everything I was doing, see? So I quit.
- WN: You mentioned earlier that your friend said, oh, you quit because prices were down. Was that a reason?
- MT: (Laughs) No, he just joking. But anyway, my time was up see? I reached my retired age. When you reach 65, carry coffee hard, eh? So I quit.
- WN: About that time, that's when a lot of the mills were closing up and that's when the co-ops, Sunset and Pacific, were forming?
- MT: No, they form already. I think they formed already.
- WN: How did that affect the operation of your mill? Your profits?
- MT: Well, the operation affects our business because the price is different. The [co-op] members, they get better price than my farmers. So that's one reason I cannot carry so long. Can't compete with co-op.
- WN: How come the co-ops were able to give better prices to farmers?
- MT: Well, because they give net price, no more middleman, see? That's why they get net profit on what they get. Like me, I had to get some profit on that. So co-op get more chance.
- WN: Who formed the co-ops?
- MT: I think Noguchi guys, I think they form.
- WN: What is your opinion about the formation of the co-ops?
- MT: Well, [with] co-op I think the farmers make more coffee because all what they produce, they get. That's the reason. If they send [coffee] to us, well, we put our price and they want high price. We can't meet their price. That's the reason they form co-op. Co-ops got net price, after deducting their expenses. Of course, they have to hire a manager and bookkeeper. So I don't know how the tax angle go with them. I think they don't pay tax. That I don't know.
- WN: I don't know either. I can ask Noguchi about that.

END OF SIDE ONE

SIDE TWO

MT: So this is in addition to what I said to you. See, during my prime years when I worked as a manager for the first [coffee] company [Kona Coffee Mill, Ltd.], I did a better job than other guys so I stayed four years. And after four years, well, you know, people don't agree when you do the job right so I got out from there. Then, second company, Hawaii Coffee Mill, I work over there, let me see, eight years I think. Until 1936 I work and then, I was out four years. Then they call me back and I stayed there two years until the war came along and we folded up. So everything looked like I did the job right, but people get jealous when you do this kind of job--managing job like that. Everybody looking for that kind of job. So they tried to put me out. At Hawaii Coffee Mill, one guy wanted my job, so finally he got the job. He run it two more years and two more guys run one year each, four years, and they were kicked out. Then finally, the directors come back and apologize and tell me they made a mistake putting me out. I didn't accept the offer, but finally, they stayed [in Kona] for three days, so I went back and I straighten out the company for them during the war time. Then finally, I got the chance to buy the whole outfit.

WN: That's a good summary of your life.

MT: I do the job right but still, people jealous, eh? In those days, manager of a coffee company, everybody was looking for a job, and I got the job, see?

WN: When you look back in your years in coffee milling and everything, how do you feel?

MT: Well, it was a good business because the first reason I went into business is because I used to work for [sugar] plantation for one dollar a day. So I figure, well, at that rate, only you got one dollar a day income, how can you support your family? With my small education, I couldn't get a government job. So I thought, might as well try and go into business, so I went into the coffee business. So my remainder of life was all in coffee business, altogether about 35 or 36 years.

WN: Are you happy that you made that decision to go into coffee?

MT: Yeah, I was thinking, shee, I don't know how I made the grade. I was honest in everything, I think, that's the main thing. And paying attention to the job what I did. You pay attention to the job, never mind who you work for. I was working for somebody, but I think about my job, that's how I think I had a chance. Because if I was working for you and I don't pay attention, what can happen?

Only you look for your time, then pau. But I was looking for the benefit of the boss and I did what I can. I think that's the point that put me to this position. Now since retirement, I got nothing to worry. Uncle Sam give me spending money. Not enough, but a portion. Nobody come around and chase me for bill. What I doing

now is for community service, without pay, anything. People come around and they don't know how to write letter, I help them. So I'm satisfied what I did. Of course, during my period, I did good to the people, but most people there put me as a sucker. They try to put one on me if they can, eh? And to get their side of the benefit. But I'm through of it (chuckles).

WN: Did that happen often to you?

MT: Oh, not often, but in my life a couple times [it] happened. But in those days, those things that happened got my goat. But today, [when] I think from other side, I thought, those things was a good teaching to me, you know. People mean to you means something wrong with me, no? So I found out the principle of that, so I thank the guys that were mean to me in those days. That's why I learned plenty. Like at [Kona Coffee Mill Ltd.] where I used to be manager. They follow regular American way of business. Directors, and all kinds of meetings. Meeting time, you have to keep the minutes. Dr. Hayashi's father was the president and he used to give the minutes in Japanese, so the first year, I didn't know how, but second year I catch on. That's how I learn Japanese, too. He was mean to me but I thank him for teaching me those stuff.

WN: You know, Mr. Tanouye, you are 88 years old.

MT: Almost 88- $\frac{1}{2}$.

WN: And you were born in Hawaii, yeah?

MT: Hawaii, yeah.

WN: Do you know of anybody older than you that's Hawaii born [Japanese]?

MT: I don't know. In Honolulu, I know of one guy though. I know him only by name, not personally. Noda is his name. He took care of Japanese songs [on radio station] KOHO. I think he's same age as me but I don't know what month [he was born]. He used to be [State] Representative or something. You could get in touch with him--Noda.

WN: You're one of the pioneer nisei, huh?

MT: Nisei, that's right. That's what the chairman was announcing the other day.

WN: At the Kona Coffee Festival? [MT was recently honored as a Kona coffee "pioneer" at the 10th Kona Coffee Festival]

MT: Yeah, yeah.

WN: You are called a "pioneer" of Kona coffee and you were just honored recently. What do you feel your contribution to Kona coffee is?

MT: Well, they figure that first I was a coffee planter, then I went into coffee milling, so there's a point they catch on. I know how to grow coffee, and it's good to know for your information. Mature coffee, when you plant from a seed, it take five years to get a full crop. I planted one coffee tree, and I check and second year I had little bit. Third, fourth and fifth year, full. It takes five years.

WN: Do you have coffee fields today?

MT: No, no more. I got rid of all my coffee fields. Before, I used to have 15 acres coffee the other side, and 6 acres this side. I quit everything. Farming pau.

WN: Well, I guess that's it, Mr. Tanouye. Thank you very much for taking the time.

MT: Okay.

END OF INTERVIEW

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Volume I

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